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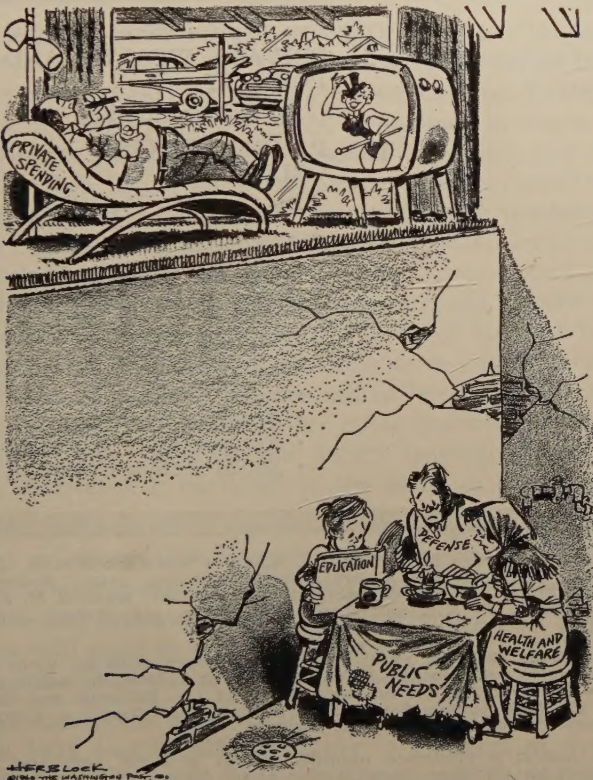
social action

Split-Level Living



Private Wealth and Public Poverty

RICHARD BOLLING   CAMERON P. HALL

social action

October, 1960

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editorial

PRIVATE WEALTH AND PUBLIC POVERTY describes the current economic situation in the United States. We are wealthy in those goods and services that we buy for ourselves—rich foods, powerful cars, private swimming pools, telephones in every room, hi-fi sets, boats, barbecue pits, expensive vacations. And we are poverty-stricken in the public aspects of life. Our children attend overcrowded schools with poorly trained teachers. Our streets are dirty and choked with traffic. Postal service is curtailed in the interest of economy. Juvenile delinquents mature into hardened criminals because we do not spend enough money for correction. Education and scientific research languish because of inadequate funds. Brilliant students drop out of school for financial reasons. Elderly persons suffer from lack of medical and hospital care. Slums infest our cities because we think we cannot afford city planning and decent housing. International economic assistance is curtailed in the name of economy.

THE GREAT DEBATE, as it has been called, centers on the proportion of its income that America should spend on private consumption versus public welfare. This question will be debated with increasing intensity in the Congress and in state capitols. Christians will want to bring the insights of the Christian faith to bear upon the problem and participate in the solution.

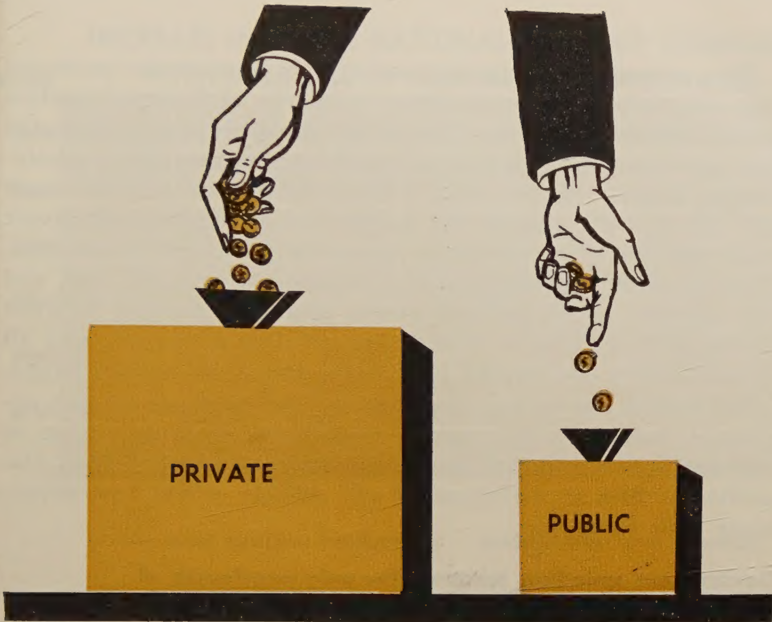
Not all Americans are wealthy. The median income in the U.S.A. in 1959 was $5,300, according to a report of the U. S. Department of Commerce issued in April 1960. This means that half of all families and unattached individuals had incomes above $5,300 per year and half below. When the incomes for all families and individuals were totaled and divided by the number of family units, the average income was $6,520 for the year. The report indicated the number of family units in the following income brackets:

Less than $ 2,000	7,500,000
$ 2,000—$ 4,000	11,600,000
$ 4,000—$ 6,000	13,100,000
$ 6,000—$ 8,000	9,900,000
$ 8,000—$10,000	5,600,000
$10,000—$15,000	5,000,000
More than $15,000	2,900,000

It costs about $6,000 a year to maintain a city worker's family of four members at a moderate but adequate standard of living, according to a report issued by the U. S. Department of Labor in August 1960. A survey of living costs in 20 cities showed a range of from $5,370 in Houston, Texas, to $6,567 in Chicago. It is evident that many Americans live in comfort or luxury, but that others exist at the subsistence level. The seven and one-half million individuals and families whose incomes are $2,000 or below constitute fourteen per cent of our family units.

THIS ISSUE of SOCIAL ACTION is devoted to a discussion of the proportions of our incomes that should be spent for private consumption and for the public welfare. The Honorable Richard Bolling of Missouri introduces the problem and indicates that since World War II the increase in expenditures for private consumption has been far greater than that for government services. Dr. Cameron P. Hall in his article, "Paying Taxes: a Christian Obligation," says that paying taxes is a part of the stewardship responsibility of Christians. Both Mr. Bolling and Dr. Hall indicate that the U.S.A. can increase its outlays for public purposes without greatly restricting private expenditures. Mr. Bolling would reduce unemployment and thereby increase both production and the ability to pay for more goods and services. Dr. Hall urges the Government to use its monetary and fiscal power to stimulate economic growth and suggests ways of increasing tax revenues under the present laws. Leaders who wish to plan programs for the discussion of this subject in the church and community will find helpful resources in the departments: book reviews, program planning, and resources for worship. May the churches join in helping America decide how to use her resources so that they will count for the most toward making peace and plenty possible for all men around the world.

—FERN BABCOCK GRANT



Private wealth and public poverty

A luxury," Henry Simons used to tell his economics classes at the University of Chicago, "is something some people think other people should do without." This is an elegant definition of a word which has been the center of controversy in moral philosophy since man first learned how to satisfy more than his immediate material wants. Simons' definition is most appropriate when applied to the activities of government today.

During the past eight years, a great campaign has been waged to convince the American citizen that government activity is a luxury—something he can't afford and which he ought to forego, like liquor and tobacco, not only because it's bad for him but also because abstinence strengthens his moral fiber.

By the Honorable Richard Bolling, Member of the United States House of Representatives from Missouri.

This propaganda effort reached a high point in the profound pronouncements of that studious, scholarly, and careful analyst of the American economy, George M. Humphrey, who predicted that government expenditures would lead inexorably to a hair-curling depression. But other leaders tell us that America must pull in its belt, assume the posture of austerity, and divert huge amounts of its resources to various government activities. They promise that this course, if vigorously pursued, will end the cold war, set all underdeveloped countries charging forward on the path of vigorous growth through free enterprise, end all disease, crime, and cruelty to animals, and make mother happy.

We should not be too disturbed by the extremes of this argument. Indeed, in this age of moderation, it is refreshing to find extreme viewpoints freely expressed. Nevertheless, a dispassionate look at our situation will quickly reveal how anomalous both views are.

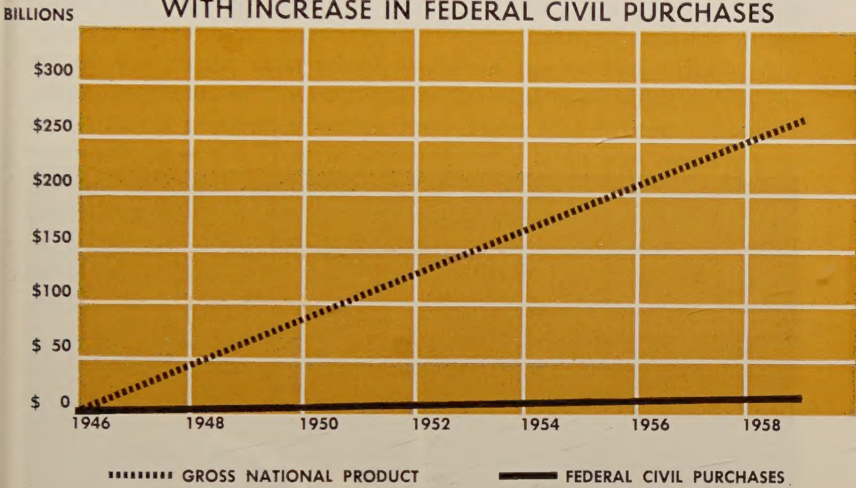
Government spending accounts for only one-fourth of increased expenditures

During much of the post-war period, the public sectors of the American economy have been the "poor relations." Total economic activity increased from $210.7 billion in 1946 to $482.1 billion in 1959. The purchases of the Federal Government increased from $20.6 billion in 1946 to $53.3 billion in 1959, while the expenditures of states and localities increased from $9.9 billion to $43.9 billion in the same period. All together, the rise in Government purchases accounts for about one-fourth of the increase in Gross National Product over these years.

The conditions which have influenced both total economic activity and government spending have varied greatly during the post-war period. The Marshall Plan and the Korean War, for example, changed significantly the shape and amount of Federal Government outlays.

Perspective on the Government's share in the total economy can be sharpened by dividing the post-war era into two periods. Between 1946 and 1953, the Gross National Product increased by $154.7 billion. In the same period, Government outlays increased by $52.3 billion, of which $37.4 billion was spent by the Federal Government, primarily for foreign aid and national security in connection with the Marshall Plan and the Korean

INCREASE IN GROSS NATIONAL PRODUCT COMPARED WITH INCREASE IN FEDERAL CIVIL PURCHASES



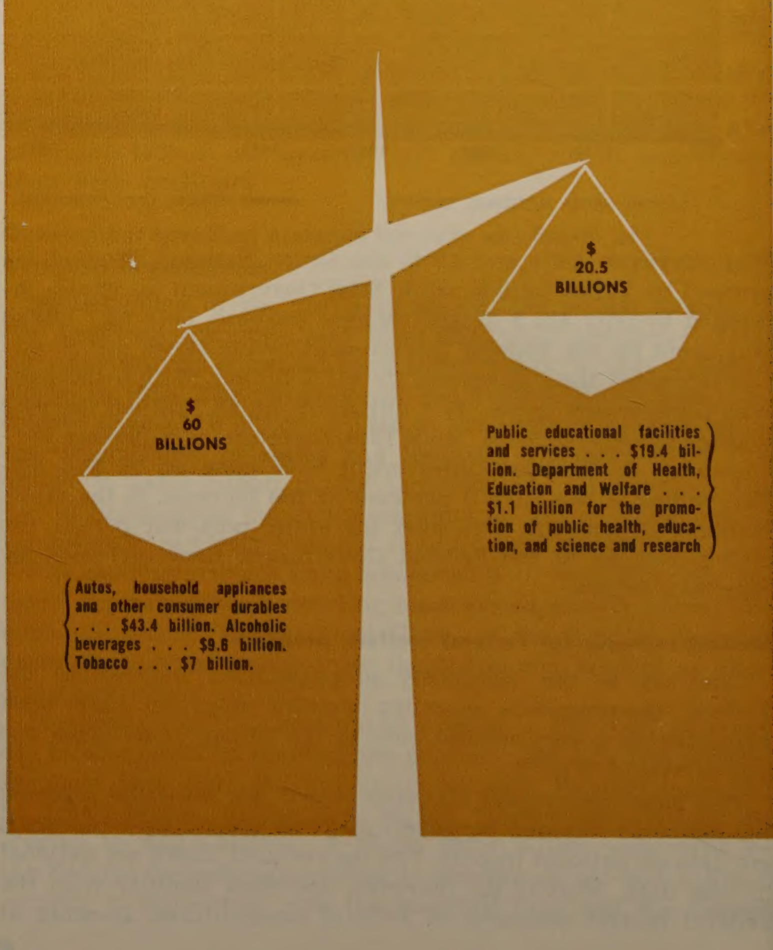
War. Between 1954 and 1959, the Gross National Product increased by $119.0 billion, while total Government purchases increased by only $21.9 billion. Of that increase, only $5.7 billion was spent by the Federal Government, while states and localities increased their purchases by $16.2 billion. Within the Federal Government sector, $4.6 billion of the $5.7 billion increase was for national defense. Since 1954, therefore, non-defense purchases by the Federal Government have gone up by $1.1 billion, which is less than 1 per cent of the increase in the Gross National Product. In fact, over the entire post-war period, the civil purchases of the Federal Government have increased by only $3.3 billion.

Modest increase for Federal welfare programs

Contrary to the vigorously propagandized impression, the Federal Government's so-called welfare programs have been expanded at a very modest rate in the fifteen years since the end of World War II.

The most meaningful statistics which are available to show the demands imposed by government on the nation's resources are data on national income. The figures used above are national income data. Most of us, however, are more familiar with the Federal budget measures of Federal expenditures. Looking at

HOW WE SPENT OUR MONEY IN 1959



these data, we find that between the fiscal years 1954 and 1960 a major increase in non-defense Federal outlays was for interest on the public debt which has gone up by $2.9 billion. Another large part of the increase in Federal expenditures was for agricultural programs, which have risen $2.5 billion. Expenditures for all of the Federal Government's labor and welfare programs, on the other hand, increased by less than $1.9 billion. About one-third of this amount was spent for the public assistance program. Outlays for promotion of public health and education increased from $.6 billion to $1.4 billion. The cost of programs for the development of natural resources increased during this period by about $400 million, and programs in commerce and housing increased only slightly.

Spectacular rise in private expenditures

When we look at private expenditures, however, we find no tightening of the belt, no deprivation enforced by the ceaseless demands of greedy government. We find instead that consumer purchases of durable goods such as automobiles, household appliances, and furniture increased from $15.9 billion to $43.4 billion during the post-war years. Our outlays for consumer services, which provide so many of the amenities of a prosperous people, increased by $76.4 billion between 1946 and 1959.

Great expansion in industrial capacity has accompanied this growth in consumption. Outlays for producers' durable equipment have increased from an annual rate of $10.7 billion in 1946 to $25.8 billion in 1959. During the same period construction outlays increased from $11.0 billion to $40.3 billion.

In the calendar year 1959, the nation spent $43.4 billion for new automobiles, household appliances, and other consumer durables. We spent about $9.6 billion on alcoholic beverages, and over $7 billion for various kinds of tobacco products. In contrast, we spent only $19.4 billion for public educational facilities and services at all levels of government. In fiscal 1959, the Department of Health, Education, and Welfare spent $1.1 billion promoting public health, education, and science and research.

Interdependence of private and public progress

We should not infer from these statistics that the American people have gone on a sybaritic binge, that we have become

soft with easy living, that Christian virtues are being undermined because we outproduce and outconsume, per capita, every other nation on earth. The danger we face, rather, is that we will forget how interdependent are private and public progress.

An advancing industrial society, history shows us, develops demands for public service at a rapid rate. The movement of people from sparsely settled rural areas into densely populated cities, for example, gives rise to demands for facilities and services which can be provided only by some public entity. Moreover, the volume of the facilities and services that are needed generally rises more rapidly than the population increases. This is because a substantial amount of public plant must be put into place in order to provide the first unit of the services an urban community requires.

In addition, our industrial society has become increasingly complex in a technological sense. The methods we employ to produce the vast array of goods and services we consume become more complicated each year. This increase in the complexity of the production process in itself produces demands which can only be satisfied by government. The level of education, for example, must rise in line with our advancing technology if we are not to find ourselves equipped with an elaborate plant which we do not know how to operate or use effectively. By the same token, the needs for recreation and for opportunities constructively and healthfully to discharge the tensions resulting from the rapid pace of modern economic life cannot be satisfied merely through private efforts. Public parks and other facilities, available to all, are essential if our productivity and well being are to continue to rise.

Governmental activity spurs private investments

Much investment in tangible production facilities is spurred by governmental activity. Such expenditures contribute significantly to increases in our productive capacity and therefore our material well being. A great deal of private investment is motivated by the desire to profit from technological advances. The National Science Foundation, in recent releases, has shown the central role of the Federal Government in financing the research and development work which makes technological progress a major part of our economic life.

It is not surprising that public entities must assume so great a share of the responsibility for the support of research and development activities because the very nature of these activities is often such as to involve too great a risk for private enterprise. Much of the Federal Government's research and development expenditure has been associated with national defense. The civil by-products of this research and development make an astounding list. Indeed it is hard to conceive of any part of our daily life which has not been materially influenced, indirectly at least, by the research and development functions of the Federal Government, most of which were initiated to meet some defense demand.

Governmental activity which adds to our stock of knowledge, our skills, and our productivity, and which shows the business community the way to more profitable use of the resources now on hand, is an essential ingredient of economic progress. The real issue, therefore, is not simply more or less but what kind of government activity. I do not suggest that the American economy will not continue to progress unless government activity is sharply expanded. It is clear, however, that continuing to treat the public sector of the economy as an indigent and bothersome relative will reduce the rate of growth and eventually rob us of a substantial portion of our economic strength.

To summarize, the American economy should be viewed as an organic whole. We have been misled by the emphasis placed on competition between the public and private sectors of the economy, while their interdependence has been ignored or misrepresented.

Significance of the rate of economic growth

A higher rate of economic growth is not a worthwhile objective for public or private policy merely because the Russians or others are now progressing at a somewhat more rapid rate than we seem to be. Whether or not the Russians catch up with us in this century is not really the point. What is at issue is whether we can demonstrate to the world at large, and particularly to the underdeveloped and uncommitted nations of the world, that our economic system can provide advances in living standards and opportunities for cultural and spiritual advances,

at a high rate and over a prolonged period without the costs in terms of personal liberty which a totalitarian system imposes.

A higher rate of economic growth in the United States is the key to achieving our continuously expanding and proliferating public and private goals. The more rapidly we grow between now and 1966, say, the less we will have to forego in 1966 to add to our facilities, both public and private, for maintaining rising living standards.

Reducing unemployment would increase economic growth

Insistence on a higher rate of economic growth and on governmental action which will contribute materially and promptly thereto does not call for great sacrifices on the part of the American people. Indeed, think how anomalous it would be to the rest of the world if the richest nation in the history of mankind were to insist that it could achieve a higher rate of progress and provide more adequately for the discharge of public responsibilities only by reducing living standards. The fact that this is not the case and that we can afford to expand public activities where needed can be established by reference to a single economic indicator: the rate of unemployment.

Unemployment persists at an extraordinarily high level. During only three of the past thirty-three months has less than 5% of the civilian labor force been unemployed. The true significance of persistent, high unemployment lies not only in the personal misery, insecurity, and decline in living standards of unemployed persons, but also in the fact that we are not fully using the resources we now have on hand. Public policies which would reduce unemployment by one per cent would mean an increase in total production of approximately $5 billion. This additional output could be allocated to greater defense efforts, to the elimination of regional pockets of unemployment and low productivity, to states and localities for the improvement of their school plants and facilities, to research and development work and to numerous other Federal, state, and local government activities which would contribute directly and materially to economic progress. This course would produce net returns substantially greater than those which could be achieved by an alternative use of these resources.

Paying taxes:

a Christian obligation

Some basic views on taxation which are developed in this article are: taxation comes within the Christian teaching on stewardship and vocation; taxes are essentially an investment in the common good; taxes should be paid with integrity and in the spirit of responsible sharing; concern for the principles underlying the enactment and enforcement of tax measures is a part of Christian citizenship.

GOD GIVES WEALTH TO MEET HUMAN NEED

The Christian views God as the Source of all wealth. He gives the wealth of the earth to man for the meeting of human

By Cameron P. Hall, Director of the Department of the Church and Economic Life, National Council of the Churches of Christ in the U.S.A.

need—physical, mental and spiritual, now and in the future. Man responds to human need in three basic ways: providing for himself and the members of his family; helping to meet the needs of others through philanthropy; and providing for the public safety and welfare through taxation. Each individual owes it to God to earn so that he can help meet human needs in these ways. Let us discuss each way more fully:

Providing for the needs of one's self and family

Each individual is responsible for the welfare and growth of himself and the members of his family. He provides for these personal and family needs in two ways: by spending for such needs as food, clothing, shelter, health and recreation; and through insurance and other forms of savings for future needs.

Helping to meet the needs of others through philanthropy

Persons are responsible for helping to meet the needs of others, far and near, known and unknown. This use of wealth is called philanthropy or charity. Some of this wealth is given directly to individuals in need; much of it goes to organizations which channel it to places where it can be most helpful. Two examples of these organizations, which number in thousands, are the Salvation Army and CARE.

Philanthropy flows also to organizations which are set up to promote humane, social, educational, political, and other social goals. These, too, are legion; they are typified by such organizations as the National Association for the Advancement of Colored People and the Committee for a Sane Nuclear Policy.

The Christian Church participates in both of these forms of philanthropy: it ministers directly to persons in the full range of their need; and it seeks to bring the motives and practices of men and nations under the judgment and rule of God. The state recognizes the contribution which the Church and philanthropic organizations make to society and exempts them from taxation.

Achieving common goals through taxation

The nation and our communities require many things for the achievement of our common goals and for the public welfare. These needs are met through taxation. Among the numerous community needs of an affluent interdependent society are these:

bridges, hospitals, streets and highways, schools, parks, military strength, libraries, sanitation and urban renewal. These needs are beyond the competence of the individual, or groups of individuals acting voluntarily, to provide; and, equally important, they are necessary to achieve the goals and to provide the resources for living in accordance with our common purpose.

Christians traditionally affirm the relevance of the teaching on stewardship for using one's wealth to meet the first two types of need; it bears directly upon what they recognize should be spent on themselves and what should be contributed to others. But we have seen that there are needs beyond those that can be met in these ways; and today the middle and upper classes in our affluent society have wealth beyond what they need for their well being and what they give for philanthropy. Through taxation individuals contribute to the common good, from which each person benefits in some measure.

While these three ways of meeting human needs have been treated separately in the interest of clarity, actually they are dynamically related. For example, family life is helped by state and local police; individuals in need are helped by tax-supported mental institutions; and the community and nation are helped by churches and private educational institutions which are maintained through philanthropy.

TAXES AND TODAY'S DYNAMIC WORLD

What light does Christian faith throw on the problem of taxation? Christians affirm that this nation is accountable to God for the use it makes of its wealth. There are no more searching questions before American citizens than these: To what use should we put our unprecedented wealth? For what end are we increasing our science, research, technology and productivity? Does the way we are spending our wealth meet the real needs of today and tomorrow?

Taxation is an important way by which a nation decides how it will allocate its resources and use its wealth. Several dynamic factors in today's world make taxation an urgent social issue. Among these are:

Rapid growth in the population

Our population is burgeoning. A larger number of babies are born every year in America and in the world. More babies this

year will mean more children of school age a few years hence; and they will call for more households with their manifold needs two decades hence. A higher proportion of elderly persons in the population will call for increased and costly health services in the years to come.

Increased urbanization

The traditional city has long since been outgrown. America has become a nation of metropolitan areas; and these are being superseded by "megapolitan" regions. The more urban we become, the more interdependent we grow. Urbanized families need streets, lighting, police protection; they need highways and bridges to get out of the city, and parks and wildernesses for refreshment after city life; they need more training and education to equip them for keeping pace, as workers, with our technological advance. Facilities and services to meet these needs become part of the common good, which must be supplied in large measure out of common funds—taxes.

U.S.A.—Bastion of hope for the free world

America is a vital resource for the free world. Many free nations are threatened by the totalitarian world. Many peoples, being born into political independence, look forward to economic development in freedom. To know how America can use her wealth to benefit these other nations calls for both generosity and wisdom.

These dynamic factors in today's world and our living heritage as a free people call for commitment of many of our resources to the common good. High on a list of priorities would be:

A better educational system, not only in quantity to keep up with the population increase, but also in quality.

More adequate hospital, health and medical services and facilities.

A better and safer highway and transportation system.

More adequate conservation and wiser use of our natural resources for the benefit both of the present generation and of those to follow.

More adequate provision for the aging members of our population.

Increases in public or publicly-stimulated private programs for slum clearance, housing, and the rescue of our cities from blight and decay.

More generous provision for technical and financial assistance to the economically underdeveloped countries.

BARRIERS TO A CHRISTIAN ATTITUDE TOWARD TAXES

The citizen who is a Christian will regard the payment of taxes as an opportunity for responsible sharing. "Bear ye one another's burdens, and thus fulfill the law of Christ." The acceptance of the necessity of taxes should not be grudging or reluctant, but should be welcomed as an opportunity for being not only a beneficiary of, but also a contributor to, the common good.

A Christian attitude toward the payment of taxes will not come until we surmount some of the stumbling blocks in its way. Among the misconceptions which prevent a clearer understanding of the payment of taxes as a part of the stewardship responsibilities of Christians are these:

Paying taxes is an invasion of the rights of the individual. The argument goes like this: "I earned the money I have, didn't I? I made it legally and by recognized acceptable standards. On

what moral grounds can a second party—the State—take away what is mine?" Underlying this point of view is an extreme form of individualism, and hence a false view of private property. The right of the individual to his wealth is an important, but not an absolute, one. His right must be regarded and exercised in the light of social justice and the rights of others, including provision for the common good.

Taxation lacks ethical sanction because it is based on compulsion. Persons who hold this view believe that the power of the State impinges upon the individual at a place sensitive to his integrity as a free individual. They believe that ethical value attaches to parting with one's wealth only when it is voluntary. The core of truth in this reasoning lies in the need to keep the power of the State within the limits of what is socially necessary. But there is no society without some compulsion. And in a democracy the taxes that we are forced to pay are levied under laws enacted and enforced by public officials accountable to the people who pay them.

Taxation is impersonal in nature. Our taxes are spent by an impersonal body, such as the "government" or the "school system." And they are spent for purposes that are generalized, distant and impersonal. They afford little, if any, sense of self-identification. There is a greater consciousness of what the government *takes from* the family budget in taxes than of what the government *provides for* the family through public facilities and services. The source of the wealth one has with which to pay taxes is vivid, immediate, personal: salaries and wages from the job, dividends from savings. And the results of what one spends for one's self and family are likewise vivid, immediate, personal: food, house or apartment, a car, an outing for the kids, a membership in a club, a TV.

How sharp is the contrast with money paid out in taxes! A person can see the good that flows from the rent he pays for his home; he rarely sees the good that he gets from the fire department. A motorist can see the benefits to him from what he pays to "fill her up with gas"; but he fails to identify himself with the highway which is paid for through his gasoline tax. Hence, for many, taxation lacks ethical imperative due to its diffuse and impersonal use. This form of social irresponsibility arises out of blindness to the social dimension of today's life.

The assumption is widespread that greater efficiency and integrity go with private spending than with public spending. This traditional view of government is often expressed in words such as, "I am in a better position to judge how to spend my money than someone in Washington or Albany." This statement is true about some things, but not about others. A similar view is expressed in the words: "The best government is the least government." This opinion reflects a half-truth and hence lacks real truth. And then there is the stereotype packed into the term "bureaucrats" which carries within it the assumption that "persons whose salaries are paid for out of my dollars spent as a consumer are a better type of worker than those paid for out of my dollars spent as a taxpayer." That there is some waste, inefficiency and corruption in government is true; but this is no reason for putting the private spenders as a group in the good column and the public spenders as a body in the evil column.

Churches should discuss the payment of taxes

Attitudes such as these need to be discussed within Christian circles if taxes are to be regarded as part of the Christian use of wealth. It is hardly too much to say that because of its nature taxation stimulates the self-regarding impulse more readily than almost any other issue related to our wealth. Blindness to the need for taxation can be very dangerous.

The "great debate" now going on in Congress and among citizens concerns the imbalance between what we keep out of our incomes for personal use and what we share through taxes to create public wealth for the common good. Church members should join in this debate. They can help to decide whether the U.S.A. will become a Rich People but a Poor Nation, a people of Big Wealth but of Limited Social Responsibility.

DOES GREATER COMMON GOOD NECESSITATE HIGHER TAXES?

If Americans decide that they need more schools, bridges, and international economic cooperation will taxes have to go up? Our legislators will have to decide whether what the people need in common can be provided with the present tax rates or whether they must be higher. However, additional revenue can be provided through other means than increased tax rates. Some of these means are:

Use of the Government's monetary and fiscal powers toward stimulating economic growth while also maintaining a reasonable degree of stability, thus producing substantially more revenue from present tax sources.

Provision of added revenues, through improved administration of present tax laws and the long-overdue closing of loopholes.

Reduction in expenditures necessary for national defense, which it is hoped will result from a mutually accepted program of disarmament.

Extension of the direct service-fee principle wherever possible and feasible.

More and better services for the tax dollar through increased efficiency of government operation and more effective methods of dealing with special interest groups which press for activities that are not in the public interest.

THE CHRISTIAN VOCATION OF LEGISLATORS AND TAX AGENTS

Taxation challenges the Christian understanding and conscience of persons in two occupations: legislators who determine tax policy and Internal Revenue agents who administer it. Christian vocation bears directly upon these two occupations.

By Christian vocation we understand that the Christian gives himself in love and obedience to God in all aspects of his life, including his occupational responsibilities. Earlier we looked at taxation as a responsibility of the individual Christian as a citizen and taxpayer. Now we turn to the concept of Christian vocation in the lives of legislators and tax agents.

Christian legislators

Christian legislators share with others most of the considerations which affect tax policy. Several issues which should be given special consideration by the Christian legislator are: sensitivity about too much inequality of wealth and income; concern for justice in tax measures; honesty in calling for sacrifices through taxation.

The Christian legislator will be concerned with the ethical and social dangers of an undue spread between the extremes of wealth and poverty. This issue includes the ethical problem of taxation as a means for the redistribution of weath.

The Christian legislator will also be sensitive to the need for justice in tax measures. He will be concerned with equity in the

distribution of the burden of taxation. The impact of a tax rate upon a family varies with its income. What is *left* to a family after taxes is as relevant to justice as what is *taken* from a family. (Recall Jesus' statement in Luke 21:4, that the rich "had contributed out of their abundance," but that in giving two coppers the widow had "put in all the living that she had.") On this concern rests ethical ground for the graduated income tax.

Again, the Christian legislator will be honest with his constituency in calling for sacrifices in taxation in order to achieve and enjoy its benefits. As the occasion requires, he will make clear that the common good—public services and facilities—must be paid for out of funds from the people. These benefits are not only desirable, they also may be costly. But the proportionately larger middle and upper classes in our affluent society have the means to expand our public services and facilities for the benefit of the less privileged as well as of themselves. They have the income, but what about their willingness to use more of it for taxes? The legislator with a sense of Christian vocation will not hold a cynical attitude toward a voter's willingness to accept higher taxes if reasons for them are given.

Christian tax agents

The arm of our Government which is wholly engaged in taxation is the Internal Revenue Service. It is the custodian of the administration of the tax policies voted by the representatives of those who pay the taxes. The Service's agents are in principle "public servants" in the richest meaning of that term. Theirs is an occupation that deserves to be practised efficiently, honorably and conscientiously and to be respected by Christian taxpayers.

The Internal Revenue Service offers many opportunities for the exercise of a sense of Christian vocation. Essentially, the agent administers laws by interpreting and applying them to individual cases. The Christian agent, therefore, will do this with equity and without partiality, according to law. At the same time, the agent of the Service works with people of all sorts and circumstances, each one endowed by God with unique worth and dignity. To the Christian agent they will not become a "file" or a "category" or a "Form X-III-A," but each person will be an individual, to be treated as such with respect and rightful consideration.

American culture

Section Two of the "Call to Christian Action in Society" adopted by the General Synod of the United Church of Christ, July 8, 1959.

Our cities rise higher. Our suburbs spread afar. Streams of people move from place to place across the land. Astounding inventions provide abundance of goods, swiftness of communication, miracles of healing, and relief from many burdensome tasks. Opportunities for educational and cultural enrichment are multiplied.

In the midst of this abundance, we are beset by much that is trivial, dehumanizing, and vulgar. Prodigious plenty tempts us to selfish indulgence while millions of people in our land and abroad live in want. Private consumption has reached unprecedented levels while public services on which all of us depend are starved. Concentrations of power, controlling the channels of information, beguile masses of people into unthinking conformity and slavish striving for goods that do not satisfy. Much of our leisure time is devoted to forms of entertainment and escape that dull us to the world's problems and our neighbor's need. We are tempted to love things and use people when we should love people and use things. And even in the midst of crowds our lives are often empty, anxious, and alone.

Now as always God calls us to a new life that offers genuine meaning, faith, and community. He sets before us goals that are higher than comfort and success. He summons us to develop our capacities for mental and spiritual growth. He frees us from our bondage to the networks of opinion and taste. He saves us from calling good evil or evil good. He searches the streets of our cities and the by-ways of the countryside—not for the church that takes pride in its popularity, its wealth, or the splendor of its buildings—but for the church that does justice and seeks truth, that cares for people and loves the Gospel, lifting up family, community, and world.

We therefore call upon our churches and their members to pray and work:

For a deeper understanding of the Christian meaning of daily work;

For the participation of Christians in organizations of farmers, labor, management, the professions, and other vocations, encouraging democratic procedures, wise practices, and concern for the public interest;

For fuller appreciation of the role, rights, and responsibilities of both organized labor and management in the democratic functioning of an industrial society;

For policies that safeguard the well-being of the farmer and the farm family as well as the interest of the general public in the efficient production of abundant food and fiber;

For the conservation and development of the earth's resources for the benefit of mankind now and in the future;

For economic institutions and practices which provide meaningful work, serve human needs, eliminate blighting poverty, prevent unemployment and harmful inflation, and bring about more equitable sharing in the goods and services which our productivity makes possible;

For action to strengthen the family and counteract the forces making for family disorganization;

For the support and expansion of necessary public services such as schools, transportation, and health programs;

For increased educational and cultural opportunities for all;

For more effective programs of education and action in church and community on the meaning and effect of alcoholic beverages, narcotics, and gambling;

For the provision of adequate social services for special groups such as the young, the aging, the handicapped, the mentally ill, and the victims of alcohol and drugs;

For the protection of migrant workers and their families;

For the admission of more immigrant refugees and their integration into the American community;

For better methods in the treatment and rehabilitation of those convicted of offenses against the law;

For the use of leisure time in creative avocations, in wholesome recreation, in strengthening family life, in enrichment of human culture, and in service to church and community.

book reviews

AMERICA'S RESOURCES: FOR PRIVATE OR PUBLIC ENDS?

The Affluent Society, *by John Kenneth Galbraith. Boston: Houghton Mifflin Company, 1958,* **$5.**

American Abundance: Possibilities and Problems. *Conference Message and Group Reports, Third National Study Conference on the Church and Economic Life. New York: National Council of Churches, 1956,* **35¢.**

The Challenge to America: Its Economic and Social Aspects, *Rockefeller Brothers Fund. New York: Doubleday and Company,* **75¢.**

The Federal Budget and the General Welfare. *Conference on Economic Progress, 1001 Connecticut Ave., N.W., Washton 6, D. C., 1959,* **50¢.**

One Hundred Countries—One and One Quarter Billion People, *by Paul G. Hoffman. Washington, D. C., Albert and Mary Lasker Foundation, 1960,* **50¢.** *(For copies write to the Committee for International Economic Growth, 1028 Connecticut Ave., N.W., Washington 6, D. C.)*

Two vital questions which face Americans are: What should be the rate of economic growth for the nation? What proportion of our resources should be allocated for private use and what for the common good? The books and pamphlets listed above help to answer these and other questions raised in this issue of SOCIAL ACTION.

For what purpose should America use her wealth?

The problem of America's wealth and how it should be used received great stimulus from John Kenneth Galbraith's *The Affluent Society,* which was reviewed in these pages in September 1958. This book called in question much of the folklore of popular economic theory.

With devastating irony it underscored the folly of the double standard which gloats over increased production of television sets and automobiles but deprecates correspondingly increased investments in schools, public services, and the common welfare.

Problems and opportunities of abundance

The illusion of production for production's sake had been subjected to criticism at the Third National Study Conference on the Church and Economic Life, held in Pittsburgh, April 12-15, 1956. The report, entitled *American Abundance: Possibilities and Problems,* scored our failure to share this plenty with important groups of people in this country and, particularly, with our neighbors abroad.

Those who are troubled about the imbalance between the amount of money spent for private rather than for public uses generally agree that the situation cannot be corrected either by stopping production or by letting things right themselves. Some of those most seriously concerned point out that we must maintain a healthy rate of growth in the American economy, if we are to improve the position of low-income groups and provide adequate facilities for education, health, and housing—to say nothing of increasing our contributions to the raising of living standards overseas.

Economic growth a natural necessity

The Rockefeller Committee Report (published in 1958 under the title *The Challenge to America*) emphasized the importance of action to step up our annual rate of economic growth in order that we may realize economic stability, maintain a high level of employment, solve the serious problems of agriculture, transportation, and metropolitan renewal, and meet urgent needs in health, education, and welfare.

The report reviewed economic trends over the past decades and pointed out that since 1870 our Gross National Product had increased at a yearly average of three per cent. During the last decade a four per cent annual increase was achieved. However, the members of the distinguished panel headed by Thomas B. McCabe believe that it is necessary for the United States to maintain an annual economic growth rate of five per cent. Only so can we meet increased needs in the area of public services and keep up a desirable rate of private expenditure. It is highly significant that these experts, who can hardly be dismissed as radical, agree that in addition to responsible action by all private

groups, government initiative is needed to promote growth and to counteract recession or inflation.

Economic growth and the Federal budget

In *The Federal Budget and the General Welfare,* the Conference on Economic Progress describes how the Federal budget, accompanied by a program of economic growth, could over a period of years not only close the gaps in education and other needed services but help to reduce poverty in the land.

International economic assistance calls for wisdom

The challenge to Americans to allocate resources of wisdom and purpose as well as of money for economic growth in underdeveloped lands is presented readably, attractively and persuasively in *One Hundred Countries—One and One Quarter Billion People.* It was written by Paul G. Hoffman, an American businessman with the vision to make the world's need his business and public service a vocation. It sets forth the problems of the underdeveloped nations, gives the history of the 1950's in beginning to meet them, and presents a matter-of-fact proposal for doubling the annual rate of per capita economic growth in these countries during the 1960's.

After adding up all the existing sources of loans for the underdeveloped areas of the world (excluding mainland China), Mr. Hoffman estimates that an additional $20 billion is needed. This represents an average of $2 billion per year, as compared with the capitalization of $1 billion proposed over a five-year period for the International Development Authority. He shows that just as a healthy world economy is essential to our American well-being, so American economic growth is necessary for the world's economic health. Here, too, is a significant lesson in stewardship.

By Huber F. Klemme, Associate Director, Council for Christian Social Action, 2969 West 25th St., Cleveland 13, Ohio.

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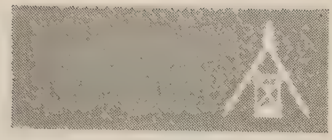
The average American is about twenty pounds overweight, according to the chairman of the committee of the Society of Actuaries that issued new tables of average weight by height, age and sex.

The New York Times, October 22, 1959

program planning



FOR PUBLIC AND PRIVATE WELFARE

Even though there has been little consideration of the relation of private wealth to public welfare for the last decade and a half, the general response to Professor Galbraith's *The Affluent Society* is an indication of the pertinence of the subject. It is time for churches and church-related organizations to begin serious study of the basic questions involved. Consideration by individuals will have little appreciable effect on the attitudes and actions of our country. Therefore, it is hoped that this issue will be discussed and acted upon by American churchmen.

Study within the committee

The first responsibility of the Social Action Committee is to become well-informed. Individual study of *The Affluent Society* would be especially valuable. If some committee members did not have time to read the entire volume, they might concentrate on Section V of Chapter IX, the introduction and the conclusion of Chapter XIV, Chapter XVIII and Chapter XXII. These will give the general picture of Professor Galbraith's convictions about public services. This background coupled with the articles in this issue of SOCIAL ACTION should give a good basis for intelligent consideration of the subject. For further understanding of the reasons why so many Americans speak disparagingly of public services and their support, read *The American Business Creed*.[1] Especially recommended are Chapter 9, entitled "Government in a Business Economy," and the section of Chapter 17 entitled "Hostility Toward the Government." This excellent book gives a dispassionate presentation of the prevailing attitudes of businessmen toward public service and some of the reasons for them.

After this background study, the Social Action Committee could devote a good long evening to discussion of the subject. It might begin the evening with worship (see Resources for Worship) to insure the presence of divine wisdom and humility. Some of the questions it will wish to discuss are:

How interdependent are the public and private sectors of our

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[1] Francis X. Sutton, Seymour E. Harris, Carl Kaysen, and James Tobin, Cambridge, Mass.: Harvard Univ. Press, 1956.

economy? What is the relationship between private and public progress?

How do public servants compare in competence with those in private industry? Are public servants necessarily more wasteful and less competent than those working for private enterprise? What is the relationship between the profit-motive and the quality of service given?

What is the relationship between attitudes toward taxation and public service? What are the alternatives to taxation? Are taxes a curse, a blessing or a means to a Christian end? What is the relationship between the sinfulness of man and the need for taxation? Does taxation destroy individual initiative? Do we need public education on the benefits of taxation?

What is the relationship between property rights, including the right to spend the profits from one's own investment without the infringement of taxation, and human rights and common good? Are they in conflict? If so, which takes precedence? What is the relationship between compulsion and freedom? Are compulsory taxes an infringement on freedom?

What is the public attitude toward government? How do the salaries of public servants compare with those of comparable corporation executives? Should the salaries be comparable? How do working conditions and facilities compare for public and private servants? Should our schools be as good as our business offices? How much "private opulence and public squalor" is there in our community? Is social imbalance lessening or worsening? If the latter, what can be done? What is the national picture and what can be done there?

Discussion of these questions may reveal considerable agreement among the committee members. If so, they may wish to issue a statement for study and discussion within the church.

Plan a church-wide meeting

The Committee might well furnish the program for an evening Fellowship Dinner in the church. Varying viewpoints should be represented so that no one can charge that the meeting was "stacked." A symposium or a panel discussion by well-informed people would be the best method of presentation. If the panel participants are objective and well-informed, the audience will respond by asking questions. A competent public servant might discuss the devotion many public servants have to the common good. The chairman or moderator should be quite careful that partisan politics do not dominate either the presentations or the discussion. The positive values of such a meeting will warrant careful planning to obviate the risks.

Encourage study and discussion

The Committee might also wish to distribute copies of this issue of SOCIAL ACTION to businessmen in the church for their study and comment. They might be encouraged to read *The Affluent Society* if they have not

already done so. The book presents many other issues, besides this one of social balance, which we shall be called upon to face in the near future. Perhaps the Committee could plug SOCIAL ACTION and the book in a brief review in the church paper. Certainly, committee members could see that their own minister is knowledgeable about the issues; and encourage him to preach about the Christian's attitude toward private and public service. Such a sermon might include discussion of the opportunities for Christian service implicit in public service. We need to encourage our young people to enter these fields.

Investigate local public services

The Social Action Committee might visit local public services in a sober and dedicated attempt to determine their strengths, weaknesses and needs. These visits could be followed by calling whatever needs were disclosed to the attention of the church and the community. Each Committee can find its own way to develop a program in this field. Behind any such attempts must always be the conscious awareness of our need to correlate private and public well-being (Galbraith's social balance) and to overcome some of the cancerous emotional reactions to the latter which erupt from time to time in our society. The best antidote will be a well-informed electorate exerting itself both through the polls and through contacts with varied private and public groups in our society. To this end we need to plan with diligence.

Hold an interdenominational conference

Inasmuch as we are considering the general relationship of the people and their government, it would seem desirable for local and area Councils of Churches to hold conferences on one subject. The conferences might promote understanding of the rightful role of government in a free society and encourage the best possible development of public services for the common good. Speakers at such a conference might include professors of economics and sociology and public servants. There would be little value in presenting a belligerent foe of any or all taxation; but a distinguished corporation official with a good record of voluntary public service would be invaluable in pointing up the basic problems involved.

The local Social Action Committee might spearhead such a Saturday Seminar under the aegis of the local Council of Churches. It might further carry its message of concern to the local Ministerial Association through a lay speaker to that group.

Donald D. Rowland, Minister, Western Knoll Congregational Church, Los Angeles, California

FOR THE ECONOMIC WELFARE OF ALL

Hymns

God the Omnipotent
God's Glory is a Wondrous Thing
O God of Earth and Altar

Psalter Reading (from *Pilgrim Hymnal*)

No. 65, Psalm 10
No. 81, Psalm 81
No. 136, Rev. 21:1-7; 22:1,5

Scripture

Revelation 18:17
Proverbs 22:16
James 5:2

Litany on social awareness

O God, our Father, who hast made us thy human children as one family in thee, so that what concerns any must concern all, we confess the evils we have done and the good we have left undone. We have spent our strength too often upon the tower of Babel of our own pride, and have forgotten the city that hath the foundations, whose builder and maker is God. We have been guilty of selfishness and strife when we should have learned to build in brotherhood. We have been content that we ourselves should prosper though many might be poor, that a few should feast while multitudes were famished both in body and in soul. O thou who hast taught us that whatsoever we sow that shall we also reap, help us to repent, before thy judgment comes.

For the clouded eyes that see no further than our own advantage,
We confess our sin, O Lord.
For the dulled imagination that does not know what others suffer,
We confess our sin, O Lord.
For the willingness to profit by injustice which we have not striven to prevent,
We confess our sin, O Lord.
For the selfishness which is quick to gain and slow to give,
We confess our sin, O Lord.
For the unconcern which makes us cry, Am I my brother's keeper?
We confess our sin, O Lord.
But, O thou who art ever merciful, take away the evil of our conscious and unconscious wrongs, forgive us for our unfaithfulness to the vision of thy kingdom, and grant to us a better purpose for the days to come.
From acquiescence in old iniquities,
Save us, O Lord.
From indifference to the human cost of anything we covet,

Save us, O Lord.
From the greed that wastes the resources of this rich earth,
Save us, O Lord.
From the ignorance that wastes the lives of men and women through unemployment, poverty and deprivation,
Save us, O Lord.
From the cruelty which exploits the defenseless.
Save us, O Lord.
From the blasphemy against the spirit which sells the bodies and souls of children to the golden idol of success.
Save us, O Lord.
From false leadership in business and in government, and, above all, from feebleness in the people which lets false leaders rise,
Save us, O Lord.
Unless the Lord build the house,
Their labor is but vain that build it.
Unless the Lord keep the city,
The watchman waketh but in vain.
But he that sitteth upon the throne said,
Behold, I make all things new.
Even so, O God, let thy redemptive purposes work through us to build a new and better order on this earth, for the blessing of thy people and the glory of thy name, through Jesus Christ our Lord. *Amen.*[1]

Prayers

O thou who givest wisdom to us thy children that we may have dominion over thy creation, forgive our abuse of this gift. Too often we have used our power over others for personal gain with no thought for their basic needs. We are painfully aware of the impersonalism and indifference of our economic system which fails to show real concern for persons in the quest for capital gain. We pray for courageous lawmakers who will correct the flagrant injustices perpetuated by vested interests.

May each of us develop a sense of stewardship which will affect all of our political, social and economic relationships, in and through thy holy spirit. *Amen.*

Our Father, we ask for courage to examine critically the economic realities around us so that we may act fairly in this realm of our lives.

We seek to understand the forces which act in and upon us as we labor for our daily bread.

We confess that we fail more often than we succeed in our attempts to see beyond the needs of ourselves, our families and our intimate friends.

We affirm the inadequacy of our individual quest and pray for the revelation of a common ground of unity through which the Church may speak on these issues in the spirit of Jesus. *Amen.*

[1] *Lift Up Your Hearts,* Walter R. Bowie, Macmillan, New York, 1940.

Prepared by James Hargett, Minister, Church of Christian Fellowship, Los Angeles, Calif.

social action calendar

OCTOBER 23	World Order Sunday.
OCTOBER 24	United Nations Day (Anniversary of the ratification of the Charter of the United Nations on October 24, 1945. A leaders guide for developing a community program in observation of this day is available from the United States Committee for the United Nations, 816 21st St., N.W., Washington, D. C.)
OCTOBER 25-27	World Order and United Nations Seminar, New York. Leader: Rev. Herman F. Reissig.
NOVEMBER 4	World Community Day, sponsored by United Church Women.
NOVEMBER 8	Election Day.
NOVEMBER 9-11	CCSA Consultation on the Church and Community Development, Lisle, N. Y.
JANUARY 27-29, 1961	Council for Christian Social Action. The Inn, Buck Hill Falls, Penna.
FEBRUARY 7-10, 1961	Churchmen's Washington Seminar, Washington, D. C. (For information, Congregational Christians should write to Dr. Ray Gibbons, CCSA, 289 Park Ave. South, New York 10, N. Y.; Evangelical and Reformed to Dr. Huber F. Klemme, 2969 W. 25th St., Cleveland 13, Ohio.)